

AMENDED IN ASSEMBLY APRIL 21, 2003

AMENDED IN ASSEMBLY MARCH 17, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 107

Introduced by Assembly Member Corbett

January 10, 2003

An act to add ~~Chapter 10.5 (commencing with Section 79575) to Division 26.5 of the Water Code, and making an appropriation therefor. Sections 79522 and 79522.5 to the Water Code, relating to water.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 107, as amended, Corbett. Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002.

The Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, an initiative measure approved by the voters at the November 5, 2002, statewide general election, authorizes for the purposes of financing a safe drinking water, water quality, and water reliability program, the issuance of bonds in the amount of \$3,440,000,000. Under the act, the bond funds made available by the act are deposited in the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002, which is created by the act. *\$50,000,000 is available for appropriation by the Legislature from the fund for the purpose of protecting state, local, and regional drinking water systems from terrorist attack or deliberate acts of destruction or degradation.*

This bill would ~~require state agencies that are authorized to make grants for the purposes of the act to achieve an equitable distribution of~~

~~funding to meet the needs of all regions of the state, provide for the efficient, expeditious, and coordinated administration of programs funded by the act, and contribute to the long-term improvement of water quality, water supply reliability, water system security, and the environment in a manner that is consistent with the act.~~

~~The bill, upon a certain determination by the Secretary of the Resources Agency, would appropriate the sum of \$63,000,000 from the fund, of which \$29,000,000 would be allocated for certain water security projects, \$4,000,000 would be allocated for feasibility, planning, and site testing activities related to the Bay Area Regional Desalination Project to improve water supply reliability, \$25,000,000 would be allocated to plan, design, and construct a water supply reliability project and to construct conjunctive use facilities for the benefit of the East Bay Municipal Utility District and Zone 7 of the Alameda County Flood Control and Water Conservation District, and for related purposes, and \$5,000,000 would be allocated to water agencies in certain counties for source water quality improvement projects require that the funds made available for these purposes are to be appropriated to the Department of Water Resources for project grants. The bill would require the department to develop project solicitation and evaluation guidelines for awarding the grants, in consultation with the State Department of Health Services and the California Office of Homeland Security, and would prescribe priorities and criteria for evaluating grant proposals.~~

~~This bill would require the Secretary of the Resources Agency to make certain findings related to those grants in years 2004, 2005, and 2006.~~

~~Vote: majority. Appropriation: yes no. Fiscal committee: yes. State-mandated local program: no.~~

The people of the State of California do enact as follows:

1 *SECTION 1. The Legislature finds and declares the*
2 *following:*

3 *(a) The Water Security, Clean Drinking Water, Coastal and*
4 *Beach Protection Act of 2002 (Division 26.5 (commencing with*
5 *Section 79500) of the Water Code) was enacted through the voters'*
6 *approval of Proposition 50 at the statewide general election on*
7 *November 5, 2002.*

8 *(b) That act requires the Legislature to appropriate funds*
9 *provided by the act for, among other things, the purposes of*

1 *improving water system security, enhancing water supply*
2 *reliability, and interconnecting water system distribution*
3 *infrastructure.*

4 *(c) It is the policy of the State of California, as well as the*
5 *CALFED Bay-Delta Program, to actively support regional*
6 *planning to improve water quality and water supply reliability*
7 *through study and implementation of various water management*
8 *measures. These measures include conservation, water recycling,*
9 *conjunctive use, groundwater management, use of alternative*
10 *water sources, water storage, and constructing new facilities to*
11 *interconnect the various water systems.*

12 *(d) Regionally-developed water projects require collaboration*
13 *across the jurisdictional boundaries of multiple water agencies for*
14 *the collective benefit of a broad cross-segment of the region's*
15 *population and should be promoted in order to achieve economies*
16 *of scale and maximize the efficient use of resources.*

17 *(e) Specific water projects and proposals have emerged within*
18 *various regions of the state that are consistent with CALFED's*
19 *integrated planning approach, and would protect those regions*
20 *during emergency situations and improve the reliability of water*
21 *service for residents and businesses.*

22 *(f) Many of these projects and proposals represent unique*
23 *partnership efforts among multiple water agencies to collectively*
24 *improve the region's water supply, reliability, security, and*
25 *drinking water quality, without constructing new dams, by*
26 *ensuring that individual communities will be able to rely on the*
27 *infrastructure and water supplies of more than one of the region's*
28 *water systems. These projects that cross water agency*
29 *jurisdictional boundaries cannot be implemented expeditiously*
30 *without financial assistance.*

31 *(g) The reliability of water agency infrastructure systems is of*
32 *vital importance to the health, welfare, safety, and economy of the*
33 *various regions and the state, as it is critical to resident industries,*
34 *universities, and commercial enterprises that employ millions of*
35 *Californians and generate billions of dollars in exports and tax*
36 *revenues.*

37 *(h) The state has concerns for the safety, health, and the*
38 *economic strength of the various regions that warrant taking*
39 *prudent steps and timely actions to safeguard and improve water*

1 reliability for all Californians dependent on the integrity of a
2 particular region's water systems.

3 (i) In order to expeditiously implement interagency projects
4 that will improve water supply reliability, water system security,
5 and drinking water quality, it is necessary for the Legislature to
6 appropriate moneys from Proposition 50 to fund a variety of
7 unique regional partnership projects.

8 SEC. 2. Section 79522 is added to the Water Code, to read:

9 79522. (a) Funds made available pursuant to Section 79520
10 are to be appropriated to the Department of Water Resources for
11 grants for projects that carry out the purposes set forth in Section
12 79520.

13 (b) The department, in consultation with the State Department
14 of Health Services and the California Office of Homeland Security,
15 shall develop project solicitation and evaluation guidelines for
16 awarding grants.

17 (c) The project solicitation and evaluation guidelines shall
18 provide for a structure and process for developing project funding
19 priorities, and criteria for evaluating grant proposals. Those
20 funding priorities and criteria shall include, but not be limited to,
21 the following components:

22 (1) Projects that produce the greatest public benefit for the
23 least cost. Public benefits to be considered shall include, but not
24 be limited to, increased reliability of water supply and
25 improvements to drinking water quality.

26 (2) Projects that help to achieve regional equity in the
27 distribution of grant funds.

28 (3) Projects that are consistent with any regionally-based
29 water resources management plan that has been developed
30 through a public process, including, but not limited to, projects
31 that have emerged as a result of collaborative efforts within
32 regions by counties, cities, and special districts to provide regional
33 project prioritization.

34 SEC. 3. Section 79522.5 is added to the Water Code, to read:

35 79522.5. On June 30 in years 2004, 2005, and 2006, the
36 Secretary of the Resources Agency shall do one of the following:

37 (a) Make a finding that the projects that are awarded grants
38 pursuant to Section 79522 have met the criteria identified in
39 subdivision (c) of Section 79522.

1 *(b) Make a finding that those projects have not met those*
2 *criteria, and submit to the Governor a plan to meet those criteria*
3 *for the following year.*

4 ~~SECTION 1. Chapter 10.5 (commencing with Section~~
5 ~~79575) is added to Division 26.5 of the Water Code, to read:~~

6
7 ~~CHAPTER 10.5. GRANTS~~
8

9 ~~79575. The state agencies that are authorized to make grants~~
10 ~~for the purposes of this division shall do all of the following:~~

11 ~~(a) Achieve an equitable distribution of funding to meet the~~
12 ~~needs of all regions of the state in a manner that optimizes the use~~
13 ~~of taxpayer dollars.~~

14 ~~(b) Provide for the efficient, expeditious, and coordinated~~
15 ~~administration of programs funded pursuant to this division.~~

16 ~~(c) Contribute to the long-term improvement of water quality,~~
17 ~~water supply reliability, water system security, and the~~
18 ~~environment in a manner that is consistent with this division.~~

19 ~~SEC. 2. (a) The sum of sixty-three million dollars~~
20 ~~(\$63,000,000) is hereby appropriated from the Water Security,~~
21 ~~Clean Drinking Water, Coastal and Beach Protection Fund of~~
22 ~~2002, as follows:~~

23 ~~(1) Of the funds made available pursuant to Section 79520 of~~
24 ~~the Water Code, the following amounts are hereby appropriated as~~
25 ~~follows:~~

26 ~~(A) Twenty million dollars (\$20,000,000) to _____ for~~
27 ~~allocation to local public entities in the Counties of Alameda,~~
28 ~~Contra Costa, San Francisco, San Mateo, and Santa Clara that have~~
29 ~~completed a federal security vulnerability assessment for the~~
30 ~~purposes of making water system security capital improvements,~~
31 ~~including, but not limited to, the acquisition and installation of~~
32 ~~fencing and lighting, a proprietary key system with high security~~
33 ~~cores and software tracking system, a centralized card access~~
34 ~~system with improved software to control entry and exit, and a~~
35 ~~centralized alarm and video system to monitor and respond to~~
36 ~~security breaches.~~

37 ~~(B) Eight million dollars (\$8,000,000) to _____ for allocation to~~
38 ~~_____ to plan, design, and construct a water supply emergency~~
39 ~~project to connect the water distribution infrastructure of the~~
40 ~~Alameda County Water District, City of Hayward, East Bay~~

~~Municipal Utility District, and San Francisco Public Utilities Commission for the purposes of safeguarding water deliveries from terrorist attacks or deliberate acts of destruction or degradation.~~

~~(C) One million dollars (\$1,000,000) to _____, of which _____ percent shall be allocated to the San Francisco Public Utilities Commission and _____ percent shall be allocated to Zone 7 of the Alameda County Flood Control and Water Conservation District, to plan, design, and construct a project to connect the water distribution infrastructure of those agencies for use during emergencies and to safeguard water deliveries from terrorist attacks or deliberate acts of destruction or degradation.~~

~~(2) (A) Of the funds made available pursuant to subdivision (a) of Section 79545 of the Water Code, and subject to subparagraph (B), the sum of four million dollars (\$4,000,000) is hereby appropriated to the department for the purposes of providing grants to _____ for feasibility, planning, and site testing activities related to the Bay Area Regional Desalination Project to improve water supply reliability.~~

~~(B) The department may only allocate funds pursuant to subparagraph (A) if it determines that that allocation meets the requirements of subdivision (a) of Section 79545 of the Water Code.~~

~~(3) (A) Of the funds made available pursuant to subdivision (d) of Section 79550 of the Water Code, and subject to subparagraph (B), the sum of twenty five million dollars (\$25,000,000) is hereby appropriated to _____, of which _____ percent shall be allocated to the East Bay Municipal Utility District and _____ percent shall be allocated to Zone 7 of the Alameda County Flood Control and Water Conservation District, to plan, design, and construct a water supply reliability project to connect the distribution infrastructure of those agencies for the purposes of facilitating water sharing capabilities and to construct conjunctive use facilities to improve water supply reliability, and for the purposes of Section 79551 of the Water Code.~~

~~(B) _____ may only allocate funds pursuant to subparagraph (A) if it determines that that allocation meets the requirements of Chapter 7 (commencing with Section 79550) of Division 26.5 of the Water Code.~~

~~(4) (A) Of the funds made available pursuant to subdivision (a) of Section 79530 of the Water Code, five million dollars (\$5,000,000) is hereby appropriated to the State Department of Health Services for the purpose of providing grants to water agencies in the Counties of Alameda, Contra Costa, San Francisco, San Mateo, and Santa Clara to implement source water quality improvement projects in the Sacramento-San Joaquin Delta, as defined in Section 12220 of the Water Code, and in local watersheds, that are intended to reduce or eliminate runoff or discharge of drainage water into sources of drinking water containing high concentrations of constituents of concern, including, but not limited to, total organic carbon, total dissolved solids, mercury, pathogens, and other contaminants that the State Department of Health Services determines to be of concern.~~

~~(B) The State Department of Health Services may only allocate funds pursuant to subparagraph (A) if it determines that that allocation meets the requirements of Chapter 4 (commencing with Section 79530) of Division 26.5 of the Water Code.~~

~~(b) (1) This section shall become operative only if the Secretary of the Resources Agency determines all of the following:~~

~~(A) Sufficient funds have been made available for water transfers undertaken in accordance with the Quantification Settlement Agreement in a manner that contributes to achieving the benchmarks of the Interim Surplus Guidelines.~~

~~(B) Funds have been appropriated pursuant to subdivision (b) of Section 79530 for the purposes described in that subdivision.~~

~~(C) Funds have been appropriated pursuant to Division 26.5 (commencing with Section 79500) of the Water Code in a manner that equitably distributes those funds among the various regions of the state.~~

~~(2) Upon making the determination described in subdivision (a), the Secretary of the Resources Agency shall notify, in writing, the Secretary of State with regard to that determination.~~